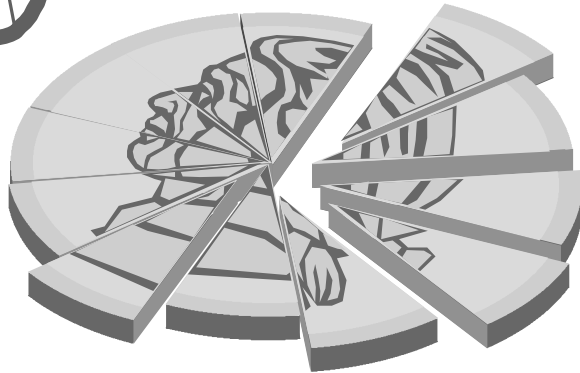
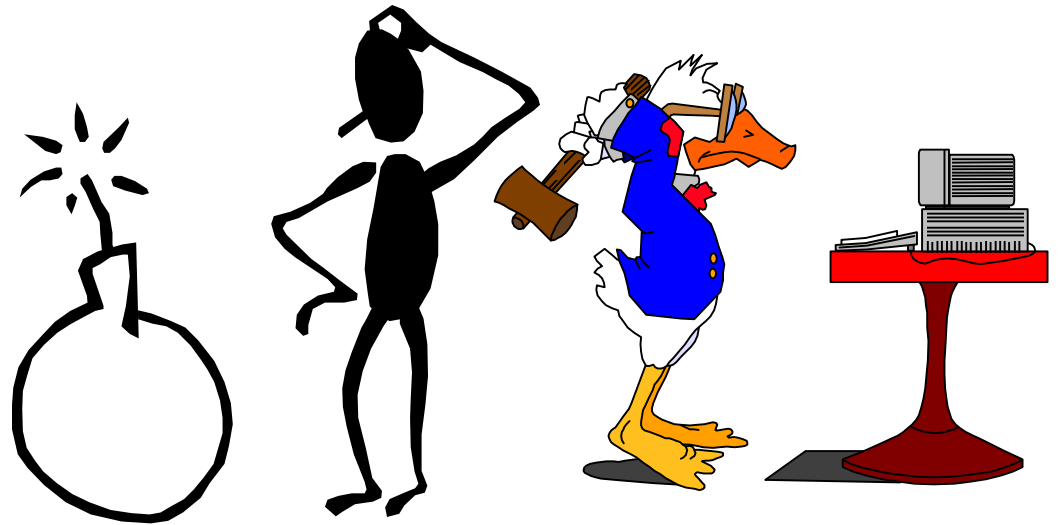


# Discipline of Market Leaders and Other Accelerators to Measurement

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# Discipline of Market Leaders

- by Treacy & Wiersema
- Survey of 80 high performing firms
- Key to success: **Focus**

# Operationally Excellent

- Highest quality => lowest cost
- “Formula” => short menu
- Process innovative



**FedEx**

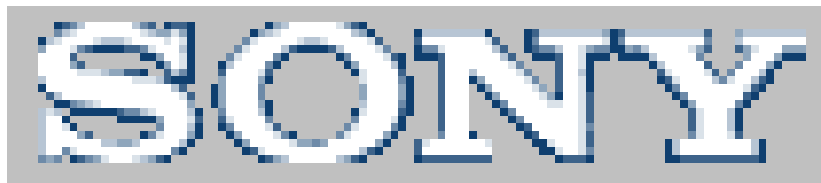
 **MOTOROLA**

**WAL\*MART**

 **TEXAS INSTRUMENTS**

# Product Innovative

- Market leader in innovation
- Measure: number of patents, Nobelists, turns in the marketplace

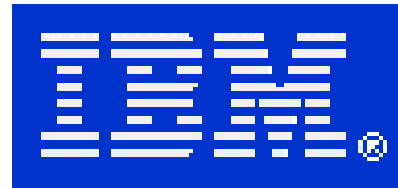


# Customer Intimate

- “Infinite” menu
- Measure: “walletshare”
- NOT lowest cost, highest quality, most innovative
- “Schmoozes”



ARTHUR  
ANDERSEN



Deloitte Touche  
Tohmatsu



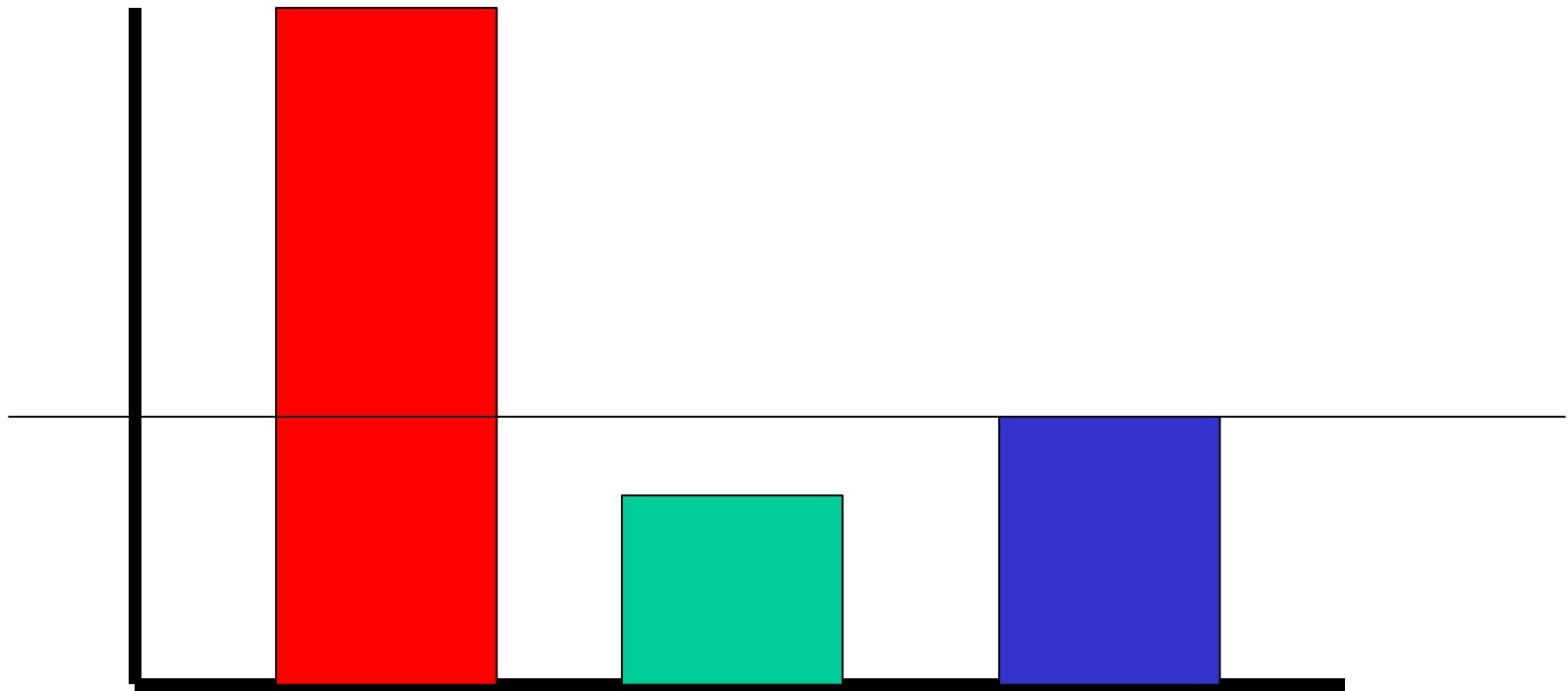
PRICEWATERHOUSECOOPERS



ERNST & YOUNG

FROM THOUGHT TO FINISH.™

**Focus on one,  
have to meet the threshold in  
all**



# Square peg - round hole





# Operationally Excellent

- Highest quality => lowest cost
- “Formula” => short menu
- Process innovative



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**TEXAS INSTRUMENTS**

# **Customer intimate: flexibility is key**

- **What is measured: Wallet-share**
- **How do you get wallet-share: by offering the most options to help the customer say “Yes”**
- **Look for chances to be flexible, that do not foreclose options**

# **Product innovative: features are key**

- **CMM KPA Goal 1: “xx is planned”**
- **Plan: “1.4 breakthroughs per fortnight”**
- **Instead - risk manage and create an environment of creativity (= OK to fail *in the small*)**
- **Lightweight processes**
- **“Good enough quality”; *appropriate* benchmarking is imperative**

# **Align measurement with strategy!**

- **“Fit” is an important, practical reality**
- **Always ask “Why?”**
- **Remember: we are in one of the slowest moving and least understood professions, so**
- **Stay alert, don’t believe everything you hear/read**
- **Search, seek, keep high standards!**